in the words of the late Dewan Bahadur Nagamiah. In his State Manual, he says "For one reason or another, the ryot is obliged to borrow, a necessity which even the best of them cannot avoid; and the cultivator when he looks into his accounts will find that he has not a balance of even one sixteenth of a measure of paddy to his credit". This type of ryot has to feed and clothe a family and to provide for the education of his children, and pay the doctor, in case of illness. The ryot, therefore, stands in need of every support that the Government can give. I would appeal to you, sir, to go into the interior of the country and satisfy yourself whether Nagamiah's words uttered 14 years ago, are not true to this day. You should try to see the average ryot, at his daily work, an individual under-fed, and clothed in rags. The usual concourse of the better class of people, well fed and well clad who are arranged to meet the Dewan in his tours will never convey an adequate conception of the poverty of the people. I would therefore submit with all earnestness I can command, that a committee of officials and non-officials should soon be appointed to consider the question of increasing the food supply in the country. The G. O. I referred to above simply accepts the opinion of the Conservator that no more lands could be disafforested without prejudice to the Forests. With great deference, I would submit that this should not be accepted as the last word on the subject.

HEAD XVII B (*m*).

The Department of Industries.

The allotment to this Department is very meagre. The amount allowed is Rs. 56,300. Of this, nearly Rs. 22,000 come in for establishment charges. Furniture and office contingencies come to Rs. 8,000 nearly. There remain only Rs. 26,000 for capital investment on Industries, including a sum of Rs. 9,000, earmarked for scholarships and stipends. This shows that the Department, under existing conditions, is a mere show. Funds ought to be provided for Industrial Exhibitions every year and for prizes to be given at such exhibitions. State aid should be given for main and useful industries. The raw materials of the country should be utilized to enhance the wealth of the country. Tanning industry is full of possibilities in Travancore. Hides worth between 2 and 3 lakhs of rupees are exported from the country. These exports do not appear to bring in any considerable revenue. If action is taken on the lines of what is done by the Cochin Darbar, the industrial extension can be assured. The sum of Rs. 9,000 sanctioned for scholarships is too small. There should be for this purpose a sum which will enable at least half a dozen students receiving training in industrial centres of Europe, America and Japan, so that when they come back the work of starting new industries and improving existing ones may be taken up. Sufficient funds should be set apart. In the matter of selecting two members for further studies in medicine giving them full pay and promotion over the head of their compeers, Government are incurring an expenditure. What I humbly submit is that this money could well have been utilised in developing industry in Travancore. For, I understand that there are people in the Medical Department who are not inferior to those now sent out and who are willing to spend their own money for further studies in medicine. These are matters, small though they be, which sometimes show that the care that is expected of Government in regard to matters of detail is not shown by them.

The Medical and Ayurveda Departments.

A much larger amount than what the Budget allows should be found for the Medical Department. Particularly in surgery, there has been a revolution, after the War. Up to date methods of surgical aid should be provided to the people and larger funds are necessary. Similarly for Ayurveda, the budget grant is quite small. I would suggest a scheme of licensing the Ayurvedic practitioners and vendors of medicinal herbs and plants, etc. The fees obtained by this system may be utilised for improving the work of this Department.

HEAD No. XVII.

Public Works.

I do not think I ought to take much time. Messrs. Krishna Aiyangar and Parameswaran Pillai have spoken elaborately on the subject. I would only place before the Council one or two features.

The outstanding feature of the Budget of this Department is the cost of establishment. The amount sanctioned for this Department is Rs. 28 and odd lakhs. On account of original works and repairs or maintenance, Rs. 23 lakhs is set apart. Establishment charges come to nearly Rs. 5½ lakhs. Thus to execute a work which costs Rs. 4 and odd, the establishment charges come to one rupee. This certainly is too much. Important works of public utility are postponed for want of funds.

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A large reduction in the cost of establishment should be made at an early date. A few officers of this Department may be drafted to the Department of Industries, as was recently done by the Madras Government. Of course, they should receive training in the new work.

HEADS XXIX AND XXXI.

Railway.

The last item of the Budget I shall speak about is the Railway account. The Budget provides Rs. 2,40,200 towards the liquidation of the capital liability on account of the Quilon-Shencottah Railway. It is gratifying to see that in the next year there is no need of an allotment to meet the guaranteed interest to the Company on account of this Line—an item for which the current year's Budget allotted Rs. 1,00,000. This shows that the earnings in respect of the two Lines put together, will meet this, after paying current expenses. There is no doubt this change is due to the increase in the passengers and goods traffic after extending the Railway to Trivandrum. If a Line of Railway is opened connecting our Line with the Cochin Railway through Central Travancore, the earnings will be enormous. The debt on account of the Quilon-Shencottah Line will soon be wiped off and the country will be opened up, to the greater advantages of the people. A bold policy of doing this work with borrowed capital can hereafter be not considered risky and there will be less difficulty now to secure loans than we had in connection with the extension of the Railway to Trivandrum.

Conclusion—Ways and Means.

In the proposals that I have made and in those that will be made by my colleagues in the Council, we plead for the reduction of the burdens and simultaneously ask Government to spend more money in various ways. It may be asked whether these requisitions are not contradictory and inconsistent. I have only to quote the words of the late Mr. Gokhale, by way of answer. Says Mr. Gokhale—

"It may be asked how can the two things that I advocate simultaneously, be achieved together, *viz.*, a considerable reduction of taxation and a large increase of expenditure on education and other domestic reforms. My answer is that the only way to attain both objects simultaneously is to reduce the overgrown military expenditure of the country". If we substitute "expenditure on public service" in place of "military expenditure" in the passage I have quoted, the facts will apply to Travancore finances.

Sir, we are new to this work of discussing the Budget in this Council and if we have not risen to the level you may expect of us, I can assure you that we shall spare no pains to improve in this direction. And if the Budget should be modified in any respects, as a result of our discussion to-day, we, on this side of the House, will consider ourselves amply compensated for any trouble we have undertaken".

Mr. Kayalam Parameswaran Pillai:—

"Permit me, sir, to associate with you in taking this as a memorable day in the annals of the State, when we are beginning to exercise the right of Budget discussion under concessions so graciously made by His Highness the Maha Raja. But it need hardly be said that if this discussion should prove really and substantially useful to Government the method of it has to be improved as already suggested by my esteemed colleagues; and I trust that before you lay down the reins of administration you will be enabled to introduce many much-desired and useful reforms in that direction.

Coming now to the figures presented to us by the Financial Statement, it is indeed pleasing to observe that Government have budgetted for the record revenue of Rs. 1,85,52,600 and for a commensurate expenditure of Rs. 1,83,32,800 leaving but a surplus of a little over 2 lakhs of rupees. But it seems to me that some items of revenue require remodelling and expansion while some items of expenditure have to be curtailed and others enhanced. I must say however at the outset that the system of classifying the proceeds of the sale of Government lands like Puduvals etc., as *revenue* is wrong both in finance and in account-keeping and is also highly misleading and mischievous, as it gives room for exhibiting an inflated revenue with the consequent inclination to raise recurring expenses, while as a matter of fact the real revenue heads may be going down. I dare say that if a man sells his patrimony and shows the sale proceeds as his income in his accounts and spends out of it for daily and recurring expenses, you will deem it suicidal finance and suicidal account-keeping. And yet that is what the Travancore Government has been doing all these years, *viz.*, to sell their lands and treat the proceeds as revenue along with Ayacat Revenue, Excise Revenue, etc. Indeed that seems to have been one of the devices for showing an inflated revenue in recent years, and holding it forth as a matter for congratulation. It will be seen from the accounts of the 5 years 1090-94 that the sale proceeds of Government lands amounted to nearly 20 lakhs of rupees, the

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